

A Monthly Progress Report on the Michigan Department of Labor & Economic Growth



Labor & Economic Briefing

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Here is a summary of headlining accomplishments from the last month:

Creating & Retaining Michigan Jobs

Governor Announces Assistance to Retain Current Jobs at GM Operations in Flint: Governor Jennifer M. Granholm announced Nov. 30th that the Michigan Economic Development Corporation (MEDC) approved more than \$28.2 million in tax credits to encourage General Motors to expand its Flint Engine South plant and retool its Flint Truck Assembly plant. If the projects are approved by the company, this assistance would lead to more than \$400 million in new investments and the retention of over 2,800 jobs at GM operations in Flint, rather than competing out-of-state sites. "These potential projects will have a significant impact on Flint's economy and thousands of families in the community," Granholm said. "If approved, General Motors' projects will affirm the importance of my overall automotive strategy as we continue to target new investments in Michigan. Every time a company like GM invests hundreds of millions of dollars, you can be sure that the result will be the most modern, high-tech facilities and equipment needed in our 21st century economy." With MEDC's approval of a Single Business Tax Credit, GM's potential investment in Flint will allow the company to retool the Flint truck plant for future truck production, as well as manufacture a new V6 engine. GM has received an abatement of tax on new real and personal property from the city of Flint. A University of Michigan economic analysis estimates that another 8,055 indirect Michigan jobs would be retained as a result of increased economic activity associated with the Flint Engine South and Truck Assembly plant projects, in addition to the 2,862 jobs retained directly by the company. The projects are expected to generate more than \$7 billion in personal income for Michigan workers over the life of the tax credit. In her 2004 State of the State address, Governor Granholm announced her plan to make Michigan a global economic powerhouse in the 21st century. So far this year, the Governor and the MEDC have announced the creation or retention of approximately 44,076 jobs as a result of targeted assistance provided by the MEDC.



**Governor
Jennifer M.
Granholm**

Hino Motors Sales Relocating Headquarters to Michigan From New York: Governor Jennifer M. Granholm and Department of Labor & Economic Growth Director David Hollister recently announced Japan-based Hino Motors Sales U.S.A. will relocate its headquarters to Bloomfield Hills from New York. The project, expected to create 30 new jobs initially, paves the way for future investments by the company in Michigan. Hino Motors Sales, also known as Hino Trucks, is the sales arm of Tokyo-based Hino Motors Ltd. Founded in 1942, Hino Motors Ltd. is Japan's leading producer of medium and large commercial trucks and busses with 8,500 employees worldwide and gross revenues of \$10 billion. Owned 51 percent by Toyota Motor Corporation, Hino is one of Toyota's core group of companies. The relocation will bring the company closer to its customers and suppliers.

Governor Granholm Announces Company Expansions, Brownfield Rehab to Create and Retain 811 Jobs: Governor Jennifer M. Granholm announced on Nov. 16 two company expansions and three brownfield redevelopment projects that are expected to create or retain more than 800 Michigan jobs and generate more than \$207 million in private investment as a result of assistance offered by the Michigan Economic Development Corporation (MEDC). According to economic analyses performed by the University of Michigan, the five projects are expected to create 626 jobs directly and an additional 185 indirect jobs as a result of increased economic activity associated with the company expansions.

Company Expansions:

- **Hemlock Semiconductor (HSC), Hemlock, Thomas Township:** The world's leading producer of polycrystalline silicon will expand its operations in Hemlock, near Saginaw in Thomas Township, creating 122 new jobs including 60 high-tech jobs directly by the company. An SBT credit valued at more than \$1.1 million helped convince HSC to choose Michigan over competing domestic and foreign sites. The company plans an initial private investment of more than \$40 million for the expansion.

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- **pgam, Auburn Hills:** The German-based Tier Two producer of automotive tools and parts will expand its North American headquarters operations in Auburn Hills, creating 240 new jobs including 117 directly by the company. A tax credit valued at more than \$1.7 million helped convince pgam to choose Michigan over a competing site in Ohio. The expansion is expected to generate more than \$15.3 million in private investment.

Brownfield Redevelopments:

- **1001 Woodward Office LLC, Detroit:** The developer will partner with two other LLC entities to utilize a brownfield Single Business Tax (SBT) credit valued at \$3.8 million and local and state tax capture valued at up to \$1 million. The incentives will help redevelop functionally obsolete and blighted property located within the 1001 block of Woodward in central Detroit. The developers will demolish vacant buildings to make way for a new multi-level parking structure featuring up to 18,000 square feet of retail space on the first floor. The project includes the upgrading of an adjacent 21-story office building located at the northwest corner of Campus Martius and the conversion of the upper floors into residential condominiums. The new development is expected to create up to 400 new jobs and generate more than \$50.5 million in private investment.
- **Dow Chemical Company, Midland:** The Michigan-based chemical production and research company plans to rehabilitate parts of its Michigan operations in Midland, retaining 41 jobs and securing future resin production at the site. The company will use a brownfield SBT credit valued at more than \$4.5 million to upgrade obsolete buildings and infrastructure within its Saran Products Suspension Facility and modernize its resin manufacturing production capabilities. The project is expected to create \$45 million in private investment by Dow.
- **The River Pointe Development Company Limited Partnership, Detroit:** The partnership will redevelop a seven-acre former mobile home park located at 14630 Riverside Boulevard. The developer plans to build a combination of low- and mid-rise buildings to accommodate about 300 market-rate residential units. The development will also feature boat slips along a canal bordering the property. This will generate more than \$56 million in private investment and eight full-time jobs.

More Than \$50 Million Investment in Oak Park Expected to Create At Least 1,000 Jobs: Developers will transform the former Detroit Artillery Armory in Oak Park into a commercial and light-industrial development thanks to state support that will pay for environmental clean-up at the site. The **investment of more than \$50 million** is expected to **create at least 1,000 new jobs**. Schostak Brothers and Company, Inc., Northland Plaza Associates LLC and Armory Plaza LLC intend to demolish most of the blighted buildings on the 94-acre site. Once cleared, the property will be ready for commercial and light industrial redevelopment. The Michigan Economic Development Corporation (MEDC) approved a tax increment financing plan worth approximately \$2.4 million in state and local taxes to support the redevelopment.

Great Lakes Home Health & Hospice to Create 125 New Jobs at Former Prison Site: Great Lakes Home Health & Hospice Inc. will rehabilitate a former state prison site in Jackson to build a new corporate headquarters facility. The company will **invest \$5.5 million** and **create 125 jobs** for Michigan workers, thanks to a Single Business Tax (SBT) credit approved by the Michigan Economic Development Corporation (MEDC). Great Lakes Home Health & Hospice (GLHHH) will use the tax credit valued at \$550,000 to help clean up and prepare the former state prison site at 900 Cooper Street for development. The company plans to build a 22,300-square-foot headquarters building and parking facilities for 110 vehicles. An additional incentive for the company is that the site is located within a Michigan Renaissance Zone, which will allow the company to operate free from virtually all state and local taxes.

Fostering Vibrant Michigan Cities and Urban Centers

New Luxury Condos, Lofts, Senior Housing, Retail and Office Space Planned in Southeastern Michigan: Governor Jennifer M. Granholm announced Dec. 14th the Whittier Hotel on East Jefferson and industrial land in Detroit and Taylor will be transformed into new apartments, luxury condos, lofts and senior citizen housing, retail, office and commercial space. The projects are expected to generate **more than \$202 million in private investment** and **more than 50 new jobs** with \$12.8 million in brownfield Single Business Tax credits and state tax capture from the Michigan Economic Development Corporation. At the Whittier Hotel site:

- **Phoenix Communities** will use a tax credit valued at nearly \$6.6 million to help convert the 15-story Italian Renaissance-style hotel into 80 residential apartments. An additional mid-rise 80-unit apartment building will be constructed on a lot adjacent to the hotel tower. Phoenix will invest nearly \$66 million in the project which will create 40 new jobs.
- **River Park Village Senior Apartments LDHA LP, Detroit** will invest \$29.8 million to execute the second project in the Whittier redevelopment using an SBT credit valued at nearly \$3 million. Two eight-story towers will be renovated to accommodate 140 senior apartments. The existing parking lot will be redeveloped into 60 loft-style residential units with 25,000 square feet of retail space. An existing parking structure will be demolished and a new one built. The riverfront site is located next to Erma Henderson Park and Marina. The project is expected to create 10 new jobs.

Additional Detroit and Taylor Projects include:

- **8344 East Jefferson LLC** will utilize an SBT credit valued at more than \$2.6 million to help redevelop long-vacant property located at 8344 East Jefferson Avenue in Detroit. The developer will invest \$27 million to construct a 96-unit market-rate, for-sale residential community of multiple four- and five-story buildings with decked parking, retail and restaurant space.
- **MJC Carrington Village LLC** will redevelop a 123-acre former landfill between Pennsylvania and Telegraph in Taylor into 142 residential lots, 198 unit 12-plex buildings and a 140-unit duplex. The \$80 million project will utilize brownfield state tax capture valued at \$598,000 to help prepare the property for redevelopment. The project is expected to create two new jobs.

Governor Announces \$2.1 Million to Create 115 New Jobs in Five Communities: Governor Jennifer Granholm announced that more than \$2.1 million in federal Community Development Block Grant funding has been offered to five Michigan communities as part of the new Michigan Downtown Gateways program. The funding, made available through the Michigan Economic Development Corporation (MEDC), will be used for downtown gateway improvement projects in **Hastings, L'Anse, Owosso, Portland and St. Ignace**. The program is one component of the Governor's new Grow Michigan Communities initiative designed to bring more jobs and investment to Michigan's downtowns. The following communities were chosen to receive funding:

- **City of Hastings, \$260,000:** The city will make downtown streetscape improvements that include new sidewalks, curbs, gutters and streetlights to help facilitate the expansion and growth of several downtown businesses. Hastings will contribute an additional \$223,000 to the project, which is expected to generate \$268,211 in private investment and 13 new jobs.
- **Village of L'Anse, \$440,000:** The village will make Main Street streetscape improvements to accommodate the construction of a new grocery store in the heart of the central business district. The project is expected to create \$2 million in private investment and 22 new jobs. The L'Anse Downtown Development Authority has committed an additional \$559,500 to facilitate the project.
- **City of Owosso, \$750,000:** The city will use the funding to help demolish the former Owosso Hotel and construct a parking structure to serve the needs of a new mixed-use development which will include retail and office space and 16 condominium units. Dixie Development LLC will invest \$4 million in the project, which is expected to create 38 new jobs.
- **City of Portland, \$625,000:** The recently named "Cool City" will use the funding to help construct a boardwalk to allow rear access to businesses and residential units along the Grand River. The economic growth that will be created as a result of the boardwalk is expected to generate \$150,000 in private investment and 30 new jobs. The Portland Downtown Development Authority will contribute \$90,000. The city will also use a recently awarded \$100,000 state Cool Cities grant to help finance the project.
- **St. Ignace, \$120,000:** The city will construct a public brick walk, restrooms and parking facilities to serve a new retail development located in the heart of the downtown. St. Ignace will contribute an additional \$24,000 for the project. Heritage Houses Inc. plans to invest about \$345,000 to redevelop an existing 8,000-square-foot vacant structure into retail space to accommodate approximately six businesses and create 12 new jobs.

Grant recipients were selected primarily on their overall eligibility and the impact the project will have on the community. Priority was given to projects that are ready to begin construction in the immediate future, have sufficient local matching funding and have completed preliminary cost estimates. Michigan Downtown Gateways funding may be used for public infrastructure improvements in support of specific, private projects that will result in the creation of jobs and private investment in traditional downtown commercial centers or along major arteries leading into downtowns. Approved projects are required to have a minimum 10 percent local match, a 2:1 ratio of private to public investment and be located within a designated Downtown Development Authority. The \$30 million, two-pronged Grow Michigan Communities initiative also includes funding for community public works infrastructure projects. Notices of intent for Michigan Downtown Gateways funding will be considered on an ongoing basis. For more information on the new programs, please contact the MEDC at (517) 373-6213.

Grand Rapids Heartside Neighborhood Vacant Building to Become Retail and Office Space, Create 20 Jobs: The First Ward 1 LLC will transform a vacant former parking garage in Grand Rapids' Heartside Neighborhood into retail and commercial office space. The Single Business Tax credit approved by the Michigan Economic Development Corporation (MEDC) will spur more than \$2.1 million in private investment and create up to 20 jobs for Michigan workers. The Heartside project was one of two in Grand Rapids that were awarded Cool Cities catalyst funding. First Ward 1 LLC will use the tax credit, valued at \$214,000, to help revamp a 20,000-square-foot building located at 47 Commerce Street SW for its new uses. The structure's façade will be restored in keeping with established historical standards to maintain continuity of the neighborhood.

Assistance Announced to Transform Eight Brownfield Sites, Create Over 350 Jobs: Eight brownfield sites in six communities across the state will be revitalized to create new housing and commercial opportunities, thanks to brownfield Single Business Tax credits approved by the Michigan Economic Development Corporation (MEDC). The tax credits will generate more than \$49.9 million in private investment and over 350 new jobs. Brownfield SBT credits valued at a total of more than \$4.8 million were awarded to the following projects:

- **Bay City:** Saginaw Bay Development II project will benefit from a credit valued at \$20,197. It will be used to help redevelop the former ARC of Bay County building located at 1313 North Johnson Street into an office supply distribution center. The developer, Gregory Construction Company, plans to invest more than \$201,907 in the project which is expected to create seven jobs. Bay City has approved local tax capture valued at \$49,115 to assist with environmental clean-up activities on the site.
- **Detroit:** Bellemere Limited Dividend Housing Association LLC will use a \$650,000 credit to renovate functionally obsolete apartments located at 14824-14972 Greenfield. The developer, Fausone, Taylor & Bohn, will invest more than \$6.5 million in the renovation which will result in 88 modern, single-family apartments and an adjacent community building. The project will provide needed housing for low-income residents in the area.
- **Detroit:** Art Center Town and Carriage Homes, LLC will use a \$350,000 credit to renovate tax-reverted, city-owned blighted properties on East Palmer between John R. and Brush Streets into housing. The developer will construct 19 market-rate, single-family homes. The project is expected to create \$3.5 million in private investment.

- **Detroit:** Mack Alter LLC will use a \$938,707 credit to transform blighted property located at the southeast corner of Mack and Alter in Detroit into a 58,000-square-foot multi-use retail center. The developer, Curis Enterprises, plans to invest \$8 million in the project which is expected to create 200 new jobs.
- **Grand Rapids:** 600 Fifth Street Properties LLC and 2320 Properties LLC will jointly use a \$999,000 credit to rehabilitate a former industrial facility located within the 600 block of Fifth Street into an office/residential building capable of accommodating up to 500 employees or residents. The developer will invest more than \$9.9 million in the project which is expected to create at least 100 jobs.
- **Ludington:** Ludington Place LLC will use a \$1 million credit to redevelop the former Ludington City Hall and Department of Public Works site into a 62-unit condominium development. The project will create more than \$11 million in private investment and six jobs. The city is also supporting the project with local tax capture valued at \$705,000.
- **Muskegon:** Art Works Muskegon LLC will convert a 140-year-old industrial building in the heart of downtown into a unique housing, retail and art gallery facility featuring 26 housing units. The developer, HDC Construction, will invest more than \$6.3 million in the project which is expected to create eight new jobs.
- **Saginaw:** Downtown Area Development LLC II will use a credit valued at \$290,000 to facilitate phase two of a new medical complex located along the Saginaw waterfront at 1137 Washington Avenue within the city's tax-free Renaissance Zone. The developer will demolish the existing structure and construct a 25,000-square-foot, two-story medical, office and commercial building. The project is expected to create \$2.9 million in private investment and bring at least 30 new jobs to the city's downtown.

Tax Credits to Help LorAnn Oils Expand, Create and Retain 40 Jobs: LorAnn Oils in Lansing will renovate and expand its manufacturing facilities thanks to a state tax credit and \$100,801 of brownfield incentives from the City of Lansing. The Single Business Tax credit approved by the Michigan Economic Development Corporation (MEDC) will spur more than \$900,000 in private investment, and will create and retain up to 40 jobs at the company. LorAnn will use the tax credit valued at \$77,800 to rehabilitate and expand its existing facility located at 4518 Aurelius Road in Lansing. LorAnn Oils is manufacturer and distributor of premium essential oils and flavorings, was founded in Lansing in 1962 and has operated continuously in the city ever since. The family-owned business serves some 30,000 customers in seven countries.

\$400,000 Grant to Create 40 Jobs in Monroe with Monroe Bank & Trust with Downtown Expansion: Governor Jennifer M. Granholm announced \$400,000 in funding to help support a revitalization project in downtown Monroe. The grant will help fund an \$8 million expansion of Monroe Bank & Trust's downtown facility and will create 40 new jobs. The grant was awarded to Monroe County on behalf of the City of Monroe. The Community Development Block Grant is made available through the Michigan Economic Development Corporation (MEDC). The city of Monroe will use the funding to relocate overhead utilities, improve the streetscape, upgrade public parking availability and to facilitate the construction of a 42,000-square-foot building directly across the street from the bank's historic headquarters on land now used for parking. Monroe County will contribute \$400,000 in matching funds to the project. MEDC administers the state's Community Development Block Grant funds received from the U.S. Department of Housing and Urban Development. These funds provide for grants to eligible counties, cities, villages and townships-typically those with populations less than 50,000-for economic development, community development and housing projects. Larger communities receive block grant funds directly from the federal government. There are 1,655 local governments within the state eligible to apply for these funds. Projects are approved contingent upon compliance with state and federal requirements.

Meridian Automotive to Invest \$43 Million, Create 250 Jobs: A grant totalling \$750,000 is going to the Village of Fowlerville to support a \$43.3 million Meridian Automotive Systems expansion that is expected to create 250 new jobs. The Community Development Block Grant is being made available through the Michigan Economic Development Corporation (MEDC). Fowlerville will use the funding to make public roadway and water service improvements for Meridian's 250,000-square-foot expansion. Fowlerville will contribute \$650,000 in matching funds to help with the public infrastructure costs. In September 2004 the MEDC also approved a Single Business Tax credit valued at more than \$2.2 million to win the project from a competing site in Ohio.

Making Michigan a Leader in the Global Economy

Governor Granholm Travels for German Investment Mission: Governor Granholm traveled to Germany with foreign business experts from the Michigan Economic Development Corporation on this administration's first investment mission. Over the five-day mission, the team met with and made presentations to nearly 50 German automotive, biotech and pharmaceutical companies. The governor's goal in Germany was to help convince those German companies who are currently doing business in Michigan to expand their investment and to encourage those not yet located in the state to include it in their growth plans. She chose Germany for her first investment mission because our two countries share a common major industry: automobiles. She believes that the many German auto suppliers, engineering firms and research and development companies should choose Michigan when they're choosing a site for their North American operations.



And, as the automotive industry expands into new, high-tech fields, Michigan is perfectly poised to capitalize on that growth—from both foreign and domestic companies—as well. Germany is already Michigan's largest foreign investor and European trade partner. Trade between the two countries totals more than \$2.5 trillion each year and results in \$31 billion for this state's economy annually. Here are highlights of the trip:

- **Granholm: 30 New Behr Jobs in Comstock Park, Company's Michigan Prospects Good:** After meeting with Behr Industries director Klaus Woessner in Stuttgart, Germany on Nov. 17, Governor Jennifer M. Granholm announced that the company will soon add approximately 30 new workers in Comstock Park and that prospects for Behr's future growth at its other Michigan locations are "very promising." Behr moved its North American headquarters to Michigan in 1999 as a result of attraction efforts and Single Business Tax credits offered by the Michigan Economic Development Corporation. Since then, the state has backed two other Behr manufacturing facilities in Michigan, one in Comstock Park and another in Webberville. Behr Industry provides customized vehicle cooling and climate control solutions for the railroad, shipbuilding and defense industries, for buses and construction machines, and for large stationary engines.
- **Granholm: Eberspacher Expanding, German R&D and Manufacturing Firm Adding Jobs:** After meeting with Eberspacher Group CEO Gunter Baumann at the company's headquarters in Esslinger, Germany, Governor Jennifer M. Granholm announced the company's agreement to proceed with Phase 2 of its manufacturing facility in Brighton. The \$10 million expansion will add 40 new jobs to Eberspacher's rapidly growing Michigan workforce. Eberspacher opened its North American headquarters and research and development center in Michigan in Novi in 2002. The company engineers and manufactures exhaust systems and vehicle heating systems, both products that are most cost-effectively produced in close proximity to an automobile's manufacturer. Granholm said Eberspacher chose Michigan, in part, because this state is at the heart of the automotive industry. Phase 1 of the company's 56,000 square foot facility in the Brighton research manufacturing district, its first North American manufacturing plant, was the result of assistance from the Michigan Economic Development Corporation (MEDC). The MEDC provided a \$420,000 Community Development Block Grant to the city of Brighton to help finance infrastructure improvements that were needed for the new plant. Granholm also met with Wilhelm Karmann GmbH executives, thanking them for their decision to build a new manufacturing plant in Michigan and to discuss potential future investments. Among those Karmann leaders who met with Granholm were Executive Vice President Ing. Bernd Lieberoth-Leden; Karmann USA President and CEO Hans-Joachim Emmelmann; Karmann USA Senior Vice President and Chief Operating Officer Tim Olind; and Executive Board Member Wilhelm Dietrich Karmann. Granholm announced last December that Karmann Automotive would invest \$13 million to build a new automotive roof system manufacturing plant in Plymouth Township that is expected to add 250 new employees over the next several years. Karmann chose Michigan over a competing site in Tennessee, in part because of a Single Business Tax credit offered by the MEDC.
- **Granholm Concludes German Investment Mission with Strong Life Sciences Message:** Governor Jennifer M. Granholm explained to an audience of German scientists and entrepreneurs on Nov. 18 how Michigan's targeted life sciences initiative is leading to new innovations, new companies and new jobs for Michigan workers. The message was part of an Emerging Life Sciences Business Seminar in Munich that was hosted by Oakland County Executive L. Brooks Patterson who participated in the Governor's five-day investment mission. Approximately 100 new life sciences companies have sprung up in Michigan over the past four years. Granholm explained that the state committed \$1 billion over 20 years to its life sciences initiative, which began in earnest in 2000. When she became Governor in 2002, the program's success prompted Granholm to also target the high-growth sectors of homeland security and advanced automotive technology through the Michigan Technology Tri-Corridor initiative. Funding in the form of competitive grants and investments is awarded annually to qualified applicants from Michigan universities, public and private research institutions and Michigan-based for-profit firms. Through this program Michigan has invested more than \$200 million over the last four years to foster growth in the life sciences industry sector. According to a recent study, the direct economic impact to Michigan from jobs in the biopharmaceutical industry is rapidly approaching \$2 billion a year. The total economic impact of this industry on our state is \$3.9 billion a year.



MEDC to Co-Sponsor Industry Preview Days at 2005 North American International Auto Show:

The Michigan Economic Development Corporation is co-sponsoring the Industry Preview Days on January 12 and 13 during Press Week at the 2005 North American International Auto Show (NAIAS). Industry Preview Days provide corporate executives a private opportunity to tour the show floor. The MEDC will host an automotive symposium on "2020: Future Visions of Tomorrow's Automobile" Wednesday, January 12. Governor Jennifer M. Granholm and leading executives, including Dr. Won Suk Cho, president of Hyundai America Technical Center, Inc., will explore the state's extensive research and development initiatives as well as the impact of emerging technologies on the auto industry. In addition to featuring Michigan's automotive R&D strengths, the symposium will also highlight the advantages of the state's business climate. "With more than 85 percent of all North American automotive R&D conducted here, we can say that Michigan has won the battle for the brains of the automotive industry," said MEDC President and CEO Don Jakeway. "Governor Granholm and the MEDC are in the midst of an aggressive effort to leverage this strength in ways that will make Michigan an even stronger automotive leader." Speakers from six major automakers are also expected to speak at the symposium on telematics, hybrid vehicles and other technology innovations. For more information regarding the MEDC symposium, please contact the MEDC at (800) 946-6829.



Above, Gov. Granholm at the 2004 North American International Auto Show. The MEDC is co-sponsoring Industry Preview Days at the show on Jan. 12 & 13.

Retaining Manufacturing Jobs in Michigan

Granholm Announces Assistance to Retain More Than 14,000 Employees at 76 Manufacturing Companies: Governor Jennifer M. Granholm announced on Nov. 12 that \$1.9 million in Economic Development Job Training (EDJT) grants that will help retain over 14,000 workers at 76 Michigan companies. The grants, provided by the Michigan Economic Development Corporation (MEDC), will enable workers to receive specialized training through 11 Michigan colleges, universities and community foundations. The funding is part of the MEDC's new Manufacturing Competitiveness initiative which is designed to help enhance the skills of Michigan's manufacturing workforce and encourage collaboration between regional employers. The program aims to streamline the training process by serving several companies through a single grant to make the best use of state funding. The types of training offered include lean manufacturing, process improvement, quality management subsystems, the Six Sigma measure of quality and other manufacturing-related skills and processes including certification by the International Organization for Standardization (ISO). The program requires the companies receiving training to provide a 30 percent minimum funding match. Following is a list of the grantees, amount of funding and companies that will benefit from the training:

- **Baker College** - \$190,000 Advance Turning and Manufacturing; Aerospace Inc; AerTech; C & S Machine; Classic Turning Inc.; Edwards Machining Inc.; J & L Industries; K & M Precision Products; Lee Blake Precision; Lomar Machine and Tool Co.; Petty Machine and Tool; Precision Aerospace Corp.; Scott Machine Inc.; Terry Tool & Die Company and Tevilo Industries Inc.
- **Bay de Noc Community College** - \$100,000 Anchor Coupling Inc.; Emerson Tool Company and Great Lakes Pulp & Fibre.
- **Grand Rapids Community College** - \$120,000 KAM Plastics; Netshape; Pliant Plastics and Royal Plastics.
- **Jackson Community College/Lenawee Chamber Foundation** - \$200,000 Adrian Steel; Anderson; Blissfield Manufacturing; Brazeway; Cyltec; Delphi; Inergy; L & W Engineering; Merillat; Rima and Wacker Chemical.
- **Livingston County Michigan Works!** - \$220,000 Alpha Technology; Carcoustics Inc.; Chem Trend Inc.; Eberspacher Inc., Excelda Manufacturing; Metaldyne Tubular Products; MISA Metal Blanking; Ogihara America Corporation; Progressive Metal Forming and TG Fluids Systems USA.
- **Mott Community College** - \$150,000 Fernco Inc; Magna Donnelly Electronics; Soroc Products and Webasto Products, North America.
- **Monroe Community College** - \$200,000 E & E Manufacturing; Erin Industries Inc.; First Technology Safety Systems; General Scientific Corporation; Hatch Stamping; MAC Steel - Jackson; MAC Steel - Monroe; Michigan 99 Inc.; National Galvanizing; Spartan Steel; Spartan Electronics; Trenton Forging Company and Xycom Automation.
- **Oakland Community College** - \$100,000 AMSEA Inc.; Booms Stone Company; Control Technique Inc.; General Fasteners; Hamlin Tool & Machine; KR Automation; Norgren Automation; Safari Technologies and Universal Tube.
- **Orchard View Community Schools** - \$100,000 American Coil Springs; Craft Steel; Erdman Machine; ESS TEC Inc.; JMS Inc.; Loring Industries; Seaver Finishing and Universal Products.
- **Washtenaw Community College** - \$100,000 Extang Corporation; MACDEE Inc.; Metalforming Technologies; Milan Cast Metal; Pinnacle Engineering Co., Protomatic Inc.; R. Schrock Company and Syron Engineering.
- **Wayne State University** - \$450,000 Collins & Aikman; Dana; Lear Corp.; MRC Industrial Group; Metaldyne and Plastech.

Granholtz Announces Funding to Help Retain More than 500 Workers at 11 Tool and Die Companies: Governor Jennifer M. Granholtz announced Nov. 15 a \$250,000 Economic Development Job Training (EDJT) grant that will help retain 547 workers at 11 Michigan tool and die companies. The grant, provided by the Michigan Economic Development Corporation (MEDC), will benefit the United Tooling Coalition (UTC) as part of a state pilot program to help the tool and die industry compete in the global market. The United Tooling Coalition is a group of tool and die companies who joined in a collaborative agreement in order to share industry knowledge and resources, including limited state training dollars, with the goal of strengthening the industry as a whole. The job training funding is part of the MEDC's new Manufacturing Competitiveness initiative designed to enhance the skills of Michigan's manufacturing workforce and encourage collaboration between regional employers. It aims to streamline the training process by serving several companies through a single grant to make the best use of state funding. The following companies are members of UTC: **Accu-Mold Inc; Autodie; Enterprise Tool & Die Inc; Lansing Tool & Engineering Inc; Master Precision Molds Inc; Northland Tool Corporation; Northwest Tool & Die Inc; Paragon Die & Engineering; Precise Engineering; Richard Tool & Die Corporation and Schmald Tool & Die.** Grand Rapids Community College will provide the training. The program requires the companies to contribute a 30 percent minimum funding match. "Tool and die companies require similar types of training," said MEDC President and CEO Don Jakeway. "Making the training available through a single provider to a group of companies that are in the same industry makes sense and allows us to stretch the state's dollar much further."

Creating Cool: The Economy of Arts and Culture

Great Lakes Maritime Heritage Center Groundbreaking in Alpena:

State, federal and local supporters and project partners of the proposed Great Lakes Maritime Heritage Center gathered in Alpena on Oct. 26 for the official groundbreaking ceremony. This new visitor and research facility for the Thunder Bay National Marine Sanctuary and Underwater Preserve - the nation's first freshwater shipwreck sanctuary - will be housed in the 20,000-square-foot former Fletcher Paper Company coating plant. The center is part of a \$30 million project to adaptively reuse the Fletcher site and buildings as a hotel, conference center, brewpub and shops. When completed, the Great Lakes Maritime Heritage Center will feature more than 8,000 square feet of exhibits on the Great Lakes, shipwrecks, archaeology and maritime history; an auditorium for showing films and live video feeds from Thunder Bay shipwrecks; an archaeological conservation laboratory; and an education resource room. Sanctuary Manager Jefferson J. Gray said, "The new center will be a national destination that will allow people of all ages to share in the discovery, exploration and preservation of the Great Lakes' historic shipwrecks and rich maritime past. ... the laboratories, archives, dockage for research vessels and a field station for visiting scientists will make the center a regional research facility, not just for historians and archaeologists, but for other scientists working to ensure the health of the Great Lakes." Thunder Bay was designated as a marine sanctuary in 2000 and has been managed and funded through a joint partnership between the Department of History, Arts and Libraries (HAL) and the National Oceanic and Atmospheric Administration (NOAA). For more information, visit <http://thunderbay.noaa.gov/>.



Tipping Point author Malcolm Gladwell speaks to a crowd of 1,200 in Lansing on Dec. 9.

identifies in his best-selling book, "The Tipping Point: How Little Things Can Make a Big Difference." Gladwell explained how his ideas can be used to stimulate Michigan's communities and challenged attendees to implement his ideas to create change within their own communities. Luncheon speaker Becky Anderson of HandMade in America also told how she used North Carolina's craft heritage to foster community and create economic solutions for the region through tourism, education and workforce-development initiatives. New this year was a Tips & Tools Center, which featured static and interactive displays, opportunities for "mini-consultations" with State of Michigan agency representatives and private-sector experts, as well as short presentations on pertinent topics.

Tipping to Cool Conference Draws 1,200 to Lansing: The Michigan Council for Arts and Cultural Affairs/Department of History, Arts and Libraries and the Michigan Department of Labor and Economic Growth held a Dec. 9 conference, Tipping to Cool: Next Steps in Linking Culture, Community and the Economy, to address how to make creative economic development happen. "Tipping Point" Author Malcolm Gladwell was the keynote speaker before a crowd of 1,200 attendees. Like the Creating Cool conference last year, Tipping to Cool brought together cultural, community, economic development and government leaders to take the next steps in revitalizing Michigan's cities and towns through creative collaborative effort. In particular, attendees considered ways that arts and culture can drive economic development and assist government leaders in transforming their communities into places that will attract and retain the creative workers critical to the state's future economic growth. The foundation for this conference stems from the principles that keynote speaker, Malcolm Gladwell,

Meeting the Demand for Health Care Professionals

Help Wanted: Michigan Focuses On Filling Demand For 100,000 Projected Health Care Jobs : According to a new study released jointly by the Michigan Department of Labor & Economic Growth (DLEG) and the Michigan Department of Community Health (MDCH), the state will need to fill more than 100,000 professional and technical health care jobs in Michigan over the next decade. Health care employment provides \$17.7 billion per year in wages and benefits in Michigan. Health care employees earn an average of \$34,300 per year (2001) and contribute \$55,000 annually to the local economy. The report issues several recommendations for state government to follow to increase its health care workforce ranks, including:

- Using newly-created supply and demand forecasts, occupational profiles, and a model practice database to assist Michigan Regional Skills Alliances (MiRSAs), workforce investment boards, and Michigan Works! Agencies.
- Conducting a statewide survey of health care workforce employment vacancies, turnover, and anticipated needs among Michigan health care employers, including clinics, physician's offices, and hospitals.
- Maintaining the state's roundtable for Health Care Workforce Development to review future recommendations to address workforce shortfall and advise on program implementation.
- Addressing issues posed by licensed and unlicensed professionals, technicians, direct care workers, labor unions, and employers.
- Evaluating the capacity of health care career education programs in Michigan to meet anticipated needs and shortages, aligning those efforts with Lt. Governor Cherry's Commission on Higher Education.

Michigan's population aged 65 and older will grow by 25 percent, from 1.2 million in 2000 to an estimated 1.5 million by 2015, and it is well known that the demand for health care services grows as the population ages. While 40 percent of all demand will be for registered nurses, there will also be a need for occupational and physical therapists, pharmacists, radiographers, laboratory technicians, diagnostic sonographers, EMTs and paramedics, and health information technicians. Health care is Michigan's largest industry in terms of employment. There are 445,000 jobs directly related to health care and another 233,000 jobs indirectly related to the field.

Protecting Michigan Workers

MIOSHA and Michigan AGC Renew Alliance to Protect

Construction Workers: The Michigan Chapter Associated General Contractors (AGC) of America and the Michigan Occupational Safety and Health Administration (MIOSHA) renewed its alliance on Dec. 3 to protect the safety and health of Michigan's construction workers. The construction industry is one of the most hazardous industries in Michigan. Only about four percent of Michigan's workforce is employed in construction-however, construction fatalities account for more than 40 percent of all fatal workplace accidents. "We are proud to work side-by-side with Michigan AGC to meet the primary goal of this alliance to keep Michigan's construction workers safe and healthy on the job," said DLEG Director David C. Hollister. "When industry, labor and government come together, we can save lives by ensuring that worker safety and health plays an integral role in construction projects." Glenn D. Granger, President, Michigan AGC, and President, Granger Construction Co.; Doug Kalinowski, Director, MIOSHA program; and Connie O'Neill, Director, MIOSHA Consultation Education and Training (CET) Division; signed the alliance during Michigan AGC's 59th Annual Meeting in Lansing. The organizations officially became partners to improve worker safety and health in the construction industry in 1998.

Alliances enable organizations committed to workplace safety and health to collaborate with MIOSHA to prevent workplace injuries and illnesses. Alliances are open to all groups, including: trade or professional associations, businesses, labor organizations, educational institutions, and government agencies. The Michigan AGC is a full service construction trade association, with a membership composed of more than 200 general contractors and affiliated companies who construct the majority of Michigan's infrastructure. They offer significant safety and health training to their members, including interactive computer training on the jobsite. While participation by individual employers is voluntary, MIOSHA anticipates that contractors, who embrace the goals of the partnership and who strive to provide a safe and healthy workplace, will experience a decrease in workplace accidents and illnesses, and a decrease in workers' compensation costs. For more information about forming an alliance or partnership with MIOSHA, please check our website at <http://www.michigan.gov/miosha> or contact the Consultation Education and Training (CET) Division at 517.322.1809.



Doug Kalinowski, MIOSHA Director shakes hands with Glenn D. Granger, President, Michigan AGC, and President, Granger Construction Company to renew the alliance to protect the safety and health of Michigan construction workers.

MIOSHA Fines Maverick Metal Stamping \$363,750 for Failure to Correct Workplace Safety Hazards Following Double

Amputation: The Michigan Occupational Safety and Health Administration (MIOSHA) cited Maverick Metal Stamping, Inc. (formerly known as M2, Inc.) of Mancelona on Nov. 4 with \$363,750 in proposed penalties for allegedly failing to correct amputation and other safety hazards and failing to comply with settlement commitments, following a double amputation. In 2003, a 22-year-old M2, Inc. employee was assigned to operate a Bliss OBI 100-ton press. She was employed by the company as an assembler, had not run a press previously, and had received no training on the safe operation of the press. As she leaned into the press to remove a set of stampings, the press cycled and both of her hands and arms were amputated midway to her elbow. It took the company more than 15 minutes to free her from the press.

Helping Low- and Moderate-Income Michiganians

50-Unit Elderly Rental Development to be Built in Genesee Township: Michigan State Housing Development Authority (MSHDA) announced a 50-unit elderly rental development will be built in Genesee Township with the help of a mortgage loan of up to \$3,300,000. Eastside Village will be located on North Genesee Road in Genesee Township. All of the units will be targeted to households with incomes at or below 60 percent of area median income. The sponsor has applied for Genesee County HOME funds in the amount of \$1,000,000. The investment will create approximately 84 full-time year-long jobs in construction and related trades. MSHDA financed the loan under its Limited Obligation Mortgage Revenue Bonds "Pass Through Program," which offers low interest loans to for profit or nonprofit developers for new construction or rehabilitation of rental developments.

Rental Developments to be Built for Low- to Moderate-Income Families in Mason and Harrison: The Michigan State Housing Development Authority (MSHDA) announced mortgage loans to build two new rental developments for low- to moderate-income families. All of the units will be occupied by residents with incomes at or below 60% of area median. Both will be financed under the HOME TEAM Advantage tax-exempt bond program, which offers a financing rate of 4.5 percent interest and a 35-year mortgage term.

Mason: A new 32-unit rental development will be built in the city of Mason with the help of a \$2,119,264 mortgage loan. Green Park Townhomes will be a 32-unit family development, located off Columbia Street and Orchard Lane on the west side of Mason. It will consist of 14 two-bedroom and 13 three-bedroom townhomes in four two-story buildings. Amenities will include central air conditioning, dishwashers, individual washer and dryers, patios or balconies, and wiring for a local area network. The development will receive a MSHDA HOME loan in the amount of \$751,864. The investments will create 55 full-time, year-long jobs in construction and related trades. Initial occupancy for Green Park is scheduled for September 2005.

Harrison: A new 40-unit rental development for low to moderate-income families will be built in the city of Harrison with the help of a \$1,653,536 mortgage loan. White Pines Apartments will be a 40-unit family development, located on Richard Street on the south side of the city of Harrison. It will consist of 20 two-bedroom and 20 three-bedroom apartments in eight two-story buildings. Amenities will include central air conditioning, dishwashers, individual washer and dryers, wiring for a local area network, patios or balconies, 40 carports, a community building and a tot lot. The development will receive a MSHDA HOME loan in the amount of \$935,197. The investments will create nearly 54 full-time, year-long jobs in construction and related trades. Initial occupancy for White Pines is scheduled for August 2005.

Eliminating Bureaucratic Red Tape

New State Law Takes Effect with Minimum Price Replacing Uniform Price for Spirits: PA 407 of 2004 took immediate effect on Nov. 30 allowing liquor licensees the flexibility of pricing spirit products above a statewide minimum. The change to section 229 of 1998 PA 58, replaces the previous requirement of a "uniform" price for spirit products, with a "minimum" price that can be altered upward by retail sellers. The state markup at 65% remains unchanged. Spirits currently sold at licensed on-premises locations (i.e., bars, restaurants) may be sold at any price above cost to the retailer. Thus, the statute change effects primarily the licensees who hold a Specially Designated Distributor (SDD) for the sale of spirit products for off-premises consumption (i.e., party or convenience stores). Market competition will determine the variation in prices and distance above the minimum price, if any.

Protecting Michigan Consumers

State Fire Marshal Issues Safety Tips for Holiday Decorations: According to the State Fire Marshal Andy Neumann, the top 10 days for home fires in recent years were all between December 24 and January 6. The Office of the State Fire Marshal issued safety tips for holiday festivities. Christmas trees and holiday decorations were involved in 63 reported fires, resulting in one death and more than \$1.4 million in property loss and damage. For information about preventing holiday decoration fires, visit http://www.michigan.gov/cis/0,1607,7-154-10573_11472-105118--M_2004_11,00.html. Consumers are also urged to use extreme caution when preparing their holiday meals with a turkey fryer because of the dangers frequently associated with the devices so here are tips to avoid these accidents: http://www.michigan.gov/cis/0,1607,7-154-10573_11472-104747--M_2004_11,00.html Supplemental heating units are also popular this time of year, but pose a fire hazard which can be prevented by using the following tips: http://www.michigan.gov/cis/0,1607,7-154-10573_11472-104522--M_2004_11,00.html.

DLEG Offers Tips to Consumers to Watch Out for Unscrupulous Mechanical Contractors' Hot Air Advice: This is the time of year to get your furnace cleaned and ready for winter, so DLEG offers some sensible tips so you don't get taken to the cleaners instead. In the past, the DLEG Bureau of Construction Codes and Fire Safety has been involved in cases where elderly residents have been scammed out of as much as \$30,000 in needless heating and cooling equipment. These situations can be avoided by knowing how to recognize questionable and potentially fraudulent contractors. The Bureau of Construction Codes and Fire Safety advises consumers to ask to see the mechanical contractor's license and write down the contractor listed on it. Verify the license by contacting the Mechanical Division of the DLEG Bureau of Construction Codes and Fire Safety at (517) 241-9325. Also, consumers are advised not to fall for telephone solicitations that offer "low-cost" or "free" furnace cleaning. Once in the dwelling, the worker will tell the homeowners their heating system has serious problems that require immediate attention. A heating system should be cleaned thoroughly by a reputable, licensed, local mechanical contractor every two years. For more tips, visit http://www.michigan.gov/cis/0,1607,7-154-10573_11472-103681--M_2004_11,00.html.

State Law Mandates Special Assessment to Replenish the Homeowner Construction Lien Recovery Fund to Protect Consumers & Licensees: The Department of Labor & Economic Growth mailed out \$50 special assessment notices to licensed residential builders and contractors to replenish the Homeowner Construction Lien Recovery Fund ("Fund") as required by state law. The state law, PA 497 of 1980 as amended, requires this assessment in order to replenish the Fund's balance to cover judgment payments, legal costs and administrative expenses to continue operation to protect homeowners and licensees. Payments are due on or before January 14, 2005. Prior to the Fund's creation, if a homeowner had completely paid the contractor for the work done, but the subcontractors, suppliers or laborers were not paid for materials or labor they had furnished, the loss was often borne by the homeowner. The Fund being named as a "defendant" party in a circuit court lien foreclosure proceeding protects homeowners from having a construction lien put on their home, and prevents homeowners from having to pay twice for the construction project and possibly losing their home. Also under the Construction Lien Act, unpaid subcontractors, suppliers or laborers may present their claims to the Fund. Since its inception in 1982, the Fund has received more than 2,600 cases equaling \$35.9 million worth of construction liens against residential properties. In the early years, the Fund saw little activity. However claims have continued to climb over the years. Just in the past five years, the Fund has been averaging 187 claims and paying \$512,000 a year. The \$50 special assessment is required by law and allows the state to provide a much-needed safety net for consumers and licensees. The special assessment impacts approximately 96,000 members, which includes all currently licensed residential builders, maintenance and alteration contractors, electrical contractors, plumbing contractors, mechanical contractors and non-licensed subcontractor/supplier members. Failure to pay the assessment fee will negatively affect one's membership in the Construction Lien Recovery Fund, resulting in loss of legal remedies currently available to Fund members under the Construction Lien Act and also prohibits licensees from renewing their license until the special assessment is paid. A Construction Lien Fund Assessment Information Hotline - (517) 241-8312 is available through February 13, 2005 to answer specific questions regarding the assessment. Additional information may also be obtained by visiting the website at <http://www.michigan.gov/constructionlienfund>.

OFIS Commissioner Announces Andy Schor as new Public Information Officer: Office of Financial and Insurance Services (OFIS) Commissioner Linda A. Watters named Andy Schor as the new Public Information Officer (PIO) effective Dec. 6. As PIO, Schor's responsibilities will be to share the priorities and initiatives of OFIS with the public. He will work with the media on inquiries and announcements dealing with important financial and insurance services issues in Michigan. Schor comes to OFIS from the Michigan Legislature, where he served as Legislative/Communications Director for State Representative Paul F. Condino. Prior to that, he served as Legislative/Communications Director for State Senator Gary C. Peters. He also has extensive communications experience through his work on many political campaigns for public office. In addition to his legislative work, Schor also serves as an elected member of the Ingham County Board of Commissioners. He represents the southeast part of the City of Lansing on the Ingham County Commission.



Andy Schor

Helping Foster Care Teens Make Transition to Self-Sufficiency

\$400,000 Grant will Serve Older Foster Children in Wayne County: Michigan has received a \$400,000 grant from the U.S. Department of Labor to help foster care teens in Wayne County make the transition to work and careers. The project will be administered by the Michigan Department of Labor & Economic Growth and Family Independence Agency and will support services to teenagers about to "age out" of the foster care system. In order to make a successful transition to adulthood, older children in foster care need a range of support services ranging from college tuition to counseling, mentoring, substance abuse treatment and more. There are more than 7,300 foster children in Wayne County and about 1,200 between age 16-21. The project will offer services through local Michigan Works! Agency contractors to help these youngsters make a successful transition from foster care to employment leading to self-sufficiency. Michigan was one of five states awarded grants through a competitive process. Statewide, Michigan has about 20,000 foster children at any given time. The grant supports a one-year project beginning in October that could be continued with subsequent grant funds. For more information on foster care go to <http://www.michigan.gov/fia> and click on "Foster Care".

Assisting Michiganians with Disabilities

Helping Michiganians with Disabilities into Jobs: During October, Michigan Rehabilitation Services (MRS) assisted 690 Michiganians with disabilities into jobs. Clients of MRS are provided with services tailored to meet their individual needs, and can include vocational counseling, aptitude testing, career exploration, job training, medical assistance, job-seeking skills training, and job referrals. Also during October, MRS provided disability-related services to 106 Michigan employers. Such services typically include consultation on employer responsibilities under the Americans with Disabilities Act, referral of qualified job candidates, and assistance with retention of at-risk workers.

More Than 200 Commission for the Blind Cases Closed in 2004: During the 2004 fiscal year, 235 Michigan Commission for the Blind (MCB) client cases were successfully closed because the clients' goals were met. Of these, 160 individuals entered employment (and remained in employment for at least 90 days), and 93 clients gained the skills to function efficiently in their own homes. MCB serves approximately 4,500 blind or deafblind individuals each year, including:

- Clients with vocational goals.
- Clients with homemaker goals.
- More than 300 visually impaired youth annually in the K-12 system through the Youth Low-Vision Program, providing low-vision evaluations and low-vision aids.
- More than 1,000 older blind persons annually through the Independent Living program, providing these individuals with skill training enabling them to live independently in their homes and communities.

Leading the Nation in Information Technology

\$1.5 Million Loan Brings New Broadband Technology Services to Bay City, Midland, Mount Pleasant and Saginaw: The Michigan Broadband Development Authority (MBDA) recently closed on a \$1.5 million loan to SpeedNet LLC of Saginaw to bring the first large-scale deployment of a new wireless broadband service to central-Michigan. The financing will provide a new broadband service option to the cities and surrounding areas of Bay City, Midland, Mount Pleasant and Saginaw, which are home to approximately 175,000 residential households and businesses. Traditional wireless broadband service can often be interrupted by trees, buildings and other obstacles, making such service limited in its reach, without the high-cost installation of large customer antennas. SpeedNet's new wireless service, however, will eliminate this need by utilizing technology that bounces signals around and through obstacles allowing easier transmission. Customers will only need a small modem, similar in cost and installation ease as a cable or DSL modem. This central Michigan installation is one of the first wide-scale deployments, according to SpeedNet's vendor NextNet Wireless, Inc., of Minneapolis, Minnesota.

Loan Helping Traverse City-Based Provider Expand Services to Small Businesses: The Michigan Broadband Development Authority (MBDA) closed a \$758,813 loan with Appia Communications, Inc., a Michigan-based communication services company in Traverse City. The MBDA loan will help Appia offer its product of converged broadband services to a larger number of Michigan's small- and medium-sized businesses. Converged broadband services offer customers local voice, long distance, broadband Internet access and video conferencing bundled into a single connection. The loan will be used to upgrade Network Operations Centers (NOC) in Traverse City and Southfield, and will enable Appia to provide services to businesses in Detroit, Saginaw, Lansing, Grand Rapids and Traverse City. Appia is not a typical broadband provider. They lease broadband services from other carriers and utilize their own proprietary software systems to support services targeted at small- and medium-sized businesses. In doing so, Appia customers are typically able to reduce their telecommunications costs by anywhere from 20 to 30 percent. For more information, visit <http://www.broadbandauthority.org>.

Promoting Energy Efficiency

More Than 470 Companies Participate in Industrial Partnership of Energy Star: Rising energy costs compound the economic stresses Michigan manufacturers are already experiencing. Reducing energy costs continues to be a viable way businesses can improve their competitiveness and profitability. The Industrial Partnership of ENERGY STAR promotes and encourages superior corporate energy management, providing tools and resources specific to the needs of manufacturers. The Partnership currently enjoys the participation of over 470 companies of varying sizes. Participants include Dow Chemical, Ford Motor, General Motors, and Kellogg. The Industrial Partnership's resources for manufacturers include opportunities to participate in sector-focused activities, networking with other industrial energy managers, the industrial web site, and assistance in developing or improving a corporate energy performance program. Each year, the Industrial Partnership identifies certain manufacturing sectors to engage in focus activities. These activities include an in-depth study and assessment of energy efficiency opportunities within the sector, production of an energy performance indicator for plants in the sector, and sector-specific working groups. In 2002, the Industrial Partnership conducted focus activities with four manufacturing sectors - Motor Vehicle, Brewery, Cement, and Wet Corn Milling. For further information, go to <http://www.energystar.gov>.

Two More Grandville Public Schools Buildings Achieve ENERGY STAR Label: Governor Jennifer M. Granholm praised Grandville Public Schools for its continuing efforts to slash its utility costs and improve budget efficiency by including two more of its buildings in an innovative energy conservation program. Grandville Public Schools has received the ENERGY STAR Building Label for South Elementary and Cummings Elementary. The district started with one ENERGY STAR building in spring of 2003 and now has a total of five highly energy efficient schools. Grandville was the first district to achieve ENERGY STAR status and Wyandotte and Belding are the only other school districts in Michigan to reach this level. "When schools save money on their utility bills they have more to spend in the classroom where students learn," said Granholm. "Grandville community members can be proud that their school district is making such an effort to spend their budget dollars wisely. I hope other districts will follow Grandville's lead." The ENERGY STAR Building Label is an outstanding tool for schools, offices and businesses to improve their buildings and lower energy costs. It is awarded to buildings that exhibit high-energy efficiency without sacrificing occupant safety and comfort. Labeled buildings receive national recognition for their energy performance. South and Cummings Elementaries will receive a bronze plaque from the U.S. Department of Energy (DOE) and the Environmental Protection Agency (EPA) to mount in the building entrances. ENERGY STAR is a voluntary partnership between government, business and individuals united to protect our environment for future generations by implementing energy-efficient practices today. Last year alone, ENERGY STAR helped businesses and consumers save more than \$5 billion in energy costs while reducing greenhouse gas emissions equivalent to those generated by 10 million cars. The DLEG Energy Office currently offers an incentive to encourage Michigan school districts and municipalities to benchmark their buildings and apply for the ENERGY STAR Label. For additional information, contact Brandy Minikey, Energy Office Engineer, at 517-241-8235. Information on ENERGY STAR is also available at: <http://www.energystar.gov>. Information on incentives and other Energy Office programs is available at: <http://www.michigan.gov/energyoffice>.

Developing a 21st Century Workforce

Register Now for DLEG's 2005 Governor's Conference on Career Education: Michigan's 3 R's: Rigor, Relevance & Reform is the theme of the 2005 Governor's Conference on Career Education Conference, which will be held February 13-15 in Detroit. This annual event is sponsored by the Michigan Department of Labor & Economic Growth (DLEG), Bureau of Career Education Programs, with the Michigan Center for Career & Technical Education (MCCTE). The conference will be held at the Detroit Marriott Renaissance Center. This is Michigan's largest career education conference and provides an excellent opportunity for everyone who is involved or interested in career education, including teachers, counselors, employers, parents, and students, to come together to share ideas and best practices. The conference traditionally attracts many people from throughout the state who are committed to providing better opportunities for the people of Michigan through career education. The keynote speaker will be Homer Hickam, known as "America's Storyteller" and best-selling author of several novels including Rocket Boys (made into the movie October Sky), which is a celebration of teachers. The fifth annual Governor's Excellence in Practice Awards also will be presented to Michigan's most successful Career and Technical Education, and Tech Prep programs. More than 80 breakout sessions will be featured focusing on curriculum development and partnerships involving business, education, parent and community. Exhibitors will display new materials and programs. For more information or to register online, go to <http://www.mccte.msu.edu>.

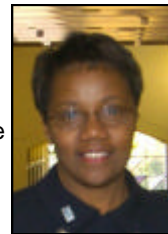
New Business-Led Council for Labor and Economic Growth Announced: Governor Jennifer M. Granholm announced an executive order creating the Council for Labor and Economic Growth (CLEG). The council's work will focus on developing strategies to prepare Michigan's workers for the 21st century. Executive Order 2004-36 creates the business-led council and replaces the current Michigan Workforce Investment Board. The council's members include key leaders from business, labor, community colleges, universities, community-based organizations, local workforce boards, the K-12 educational community, and government. The council will recommend strategies to encourage and stimulate innovative responses to Michigan's workforce challenges. The new council has been reorganized to comply with federal workforce law which requires a 73-member board. The new council will build on some of the workforce development successes already achieved this year, including the establishment of 13 Regional Skills Alliances (MiRSAs) – Michigan's employer-led, regionally-based workforce development partnerships that address local workforce challenges. Current MiRSAs are targeting ways to fill openings in healthcare, construction, manufacturing, and nanotechnology industries. A MiRSA is currently under development for the hospitality industry. Some of the other strategic efforts the new council will help the Governor and the Michigan Department of Labor & Economic Growth tackle are:

- Achieving the Governor's goal of doubling the number of students who obtain college degrees and other credentials over the next 10 years;
- Facilitating the transition of Michigan workers to 21st century jobs and careers;
- Engaging local workforce boards and officials to strategically build effective coalitions to achieve workforce and economic development goals;
- Developing and implementing a system to measure the success of workforce development in Michigan; and
- Guiding creation of a strategy to assist low-wage workers to become financially self-supporting.

In keeping with the council's strong connection to industry, Sharon Wenzl, Tower Automotive's vice president of human resources and communications, has agreed to serve as the CLEG Chair. Mitchell Tomlinson of East Lansing, chief executive officer of Peckham, Inc. is the Vice Chair. The executive order, filed with the Secretary of State on Dec. 6, is effective immediately. A copy of the executive order and list of board members is available at <http://www.michigan.gov/dleg>.

New Michigan Workforce Director Named: Brenda Njiwaji to Oversee Michigan's Efforts to Develop a Skilled 21st Century Workforce:

As part of Governor Granholm's effort to reshape Michigan's workforce by developing the skilled workforce Michigan needs to compete in the global 21st century economy, Michigan Department of Labor & Economic Growth Director David C. Hollister named Brenda Njiwaji (pronounced Je-waw-gee) to head the department's newly organized Bureau of Workforce Programs on Nov. 23. The Bureau of Workforce Programs oversees the State of Michigan's workforce development activities. These programs provide assistance to Michigan's employers and to individuals. Services include providing training for the current workforce, assisting the unemployed by providing training and job search support, and providing rapid response assistance to communities and residents in the event of a plant closing and large lay-off. Workforce Programs has policy, administrative and management oversight responsibilities for 20 workforce development program areas, with 234 staff and an annual budget of \$310 million. It is the primary administrator of the federal Workforce Investment Act. A major area of focus for the bureau is to provide program-policy guidance and technical assistance to 25 local Workforce Development Boards that are responsible for program service delivery at 100 Michigan Works! Service Centers throughout the state. These local service centers assist thousands of Michigan workers annually. "Brenda has the background, insight and the foresight we need to help us reshape Michigan's workforce and help us to connect record numbers of Michigan workers to good jobs and great careers," said Hollister. Ms. Njiwaji brings more than 25 years experience in managing Michigan's Division of Labor Statistics and labor market information programs. During this time, she co-authored award-winning publications on labor market information and contributed to several workforce development and employment service initiatives at the state and federal level that have been nationally recognized. This includes participating in the U.S. Department of Labor's efforts to develop and expand sector-based approaches as well as other efforts to improve the access to and reliability of labor market information.



**Brenda
Njiwaji**

Michigan Career & Technical Institute Celebrates 60 Years with New Building Dedication: A new historical, educational, and training center partially funded by the W.K. Kellogg Foundation was dedicated on Nov. 8th at the Michigan Career & Technical Institute (MCTI) near Plainwell. The occasion also marks the 60th anniversary of the school, founded in 1944 by W.K. Kellogg as a vocational training school for disabled World War II veterans. The Department of Labor & Economic Growth (DLEG) currently operates MCTI, which provides job training and a wide range of support services for persons with disabilities from throughout the state. It is located on Pine Lake in southwestern Barry County. The new building has been named the Kellogg-Chapman House for W.K. Kellogg, an early benefactor of the school, and Lloyd G. Chapman, director of the school from 1957 to 1975. Among those attending the anniversary celebration and ribbon-cutting ceremony were State Sen. Patricia "Patty" Birkholz and State Reps. Gary Newell, Fulton Sheen, and Jacob "Jack" Hoogendyk; Greg Lyman, senior vice president, W.K. Kellogg Foundation; and Allan Hunt, assistant executive director, W.E. Upjohn Institute. The W.K. Kellogg Foundation contributed \$35,000 in late 2003 to begin construction of the facility, which showcases photographs and memorabilia from the school's earlier days and the work of current MCTI students. The lakeside building, constructed around a stone fireplace and chimney dating from the 1930s, will provide expanded educational and training opportunities for MCTI students, staff, and the community. The Pine Lake Fund, a 501(c)(3) nonprofit organization created in 1981 to support the mission of MCTI, has provided the leadership for making the Kellogg-Chapman House a reality and has spearheaded the fund-raising drive initiated by the W.K. Kellogg Foundation grant. Students and staff have volunteered more than 1,500 hours to build the structure.



**First Gentleman Dan Mulhern
addresses Michigan's AmeriCorps
members in Grand Rapids.**

First Gentleman Mulhern Honors Michigan's AmeriCorps Members: More than 300 AmeriCorps members from across Michigan gathered in Grand Rapids, November 4 to kick off their year of community service. First Gentleman Daniel G. Mulhern addressed the group and encouraged members to keep in mind three things throughout the year: 1) remember the path you came on, 2) find purpose in the now, and 3) pave the way to a better America. A better America and a better Michigan is indeed the path AmeriCorps members travel. These committed individuals give a year of their lives to make our communities safer, healthier and stronger. They serve in local nonprofit organizations and schools to mentor and tutor youth, protect the environment, help the homeless, teach conflict resolution, and more. Currently, there are 19 Michigan's AmeriCorps programs throughout the state that enlist the service of 800 full and part-time members. To learn more about AmeriCorps, visit <http://www.michigan.gov/mcsc> or call the Michigan Community Service Commission at (517) 335-4295.

2004 Adult Basic Education Fall Conference Overwhelming Success: The 2004 Adult Basic Education (ABE) Fall Conference was the most successful ever with 212 adult basic education teachers and literacy tutors attending. This represents a 40 percent increase in registration over last year. The conference was held November 5 at the Genesys Conference Center in Flint. The keynote speaker was Mary Bigler, an internationally known motivational speaker and consultant. In her presentation, "Adult Education with Pizzazz!" she shared the joys and challenges of helping adult students become literate. Five breakout sessions tailored to ABE and literacy tutoring instructional strategies were also featured.

Office of Career and Technical Education (OCTP) Offers "Working Connections" IT Training to High School Teachers: The Office of Career and Technical Preparation (OCTP) is partnering with Henry Ford Community College so that the IT training courses offered to community college faculty will be available to high school teachers. The Working Connections faculty development opportunity is a week-long summer institute. Topics will include A+ Software, .NET Environment, Programming Dynamic Web Pages Using Dreamweaver, Beginning Oracle, Project Management Technologies, NSF Security+ and IT Manufacturing: from concept to prototype. The workshop will promote interaction between high school and community college faculty to share the latest information and increase articulation between high school and community college coursework.

DLEG's King-Chavez-Parks Initiative Sponsors 8th Annual Joint Fellows Conference: The King-Chávez-Parks Initiative sponsored the 8th Annual Joint Fellows Conference in November in Lincolnshire, IL, along with the Diversifying Higher Education Faculty in Illinois Program. The theme of the conference was Navigating the Changing Landscape: Higher Education in the Future. Rudy Redmond, manager of the King-Chávez-Parks Initiative read a special welcome from DLEG Director David C. Hollister. The event featured the work and accomplishments of master's and doctoral fellows, with the goal of improving employment opportunities for administrative positions and faculty teaching positions within institutions of higher education in Michigan and Illinois. The fellows gave presentations designed to improve research, teaching and service. The conference featured the two distinguished speakers: Dr. Neil Foley, Associate Professor of History and American Studies at the University of Texas at Austin, former Michigan KCP Future Faculty Fellow, and author of the multiple award-winning book The White Scourge: Mexicans, Blacks and Poor Whites in Texas Cotton Culture; and Dr. Frank Hale, Vice Provost Emeritus for Minority Affairs and Distinguished University Representative to the President, Ohio State University. His book What Makes Racial Diversity Work in Higher Education was provided to conference attendees. The unique partnership between Michigan and Illinois provides networking and professional development opportunities for master's and doctoral degree students from both states. These efforts are closely connected to the work of Lt. Governor John Cherry's Commission on Higher Education, which is charged by Governor Granholm with doubling the percentage of Michigan citizens who attain postsecondary degrees. The 2005 Joint Fellows Conference will be held at Wayne State University in Detroit.

OCTP Workshop Offers Teachers New Resources for Special Populations Students Interested in Construction and Manufacturing: The Office of Career and Technical Preparation (OCTP) sponsored the workshop "Assisting Students Representing Special Populations in Construction and Manufacturing Programs" that provided methods, techniques and resources for teachers to assist students representing special populations. The workshop focused on strategies for delivering training to a diverse student population, identified who teachers need to work with in the educational community and how teachers can find the resources they need.

OCTP's Fall Update Workshop Focuses on Academic Achievement: The Office of Career and Technical Preparation (OCTP) hosted the Fall Update for CTE Administrators on November 9. Approximately 135 administrators from around the state attended. The workshop featured Dr. Kenneth Gray, Professor in Charge, Workforce Development, College of Education, Pennsylvania State University who spoke on Academic Achievement in CTE. In addition, Stephanie Palmer and Bonnie Arnett from the Jackson Area Career Center spoke on using Work Keys to raise academic achievement and Mary Jane Mielke from Wayne-Westland Community Schools presented how MEAP Smart can be used for academic achievement. The workshop received high ratings from attendees for being motivating, for affirming the importance of CTE and for relevant information for use in their local areas.

Teachers Learn About Starting New CTE Programs: A workshop for Career and Technical Education (CTE) teachers interested in starting new educational programs was held by the Office of Career and Technical Education on Nov. 10. Eighty teachers attended the workshop to learn the details about what curriculum, equipment, facilities and safety measures must be in place in order to receive state-approval to operate a CTE program. State approval is required for a school district to receive state school aid or federal dollars to support the program. The new program application process takes one year to complete beginning with an environmental scan to determine need and sustainability.

OCTP's TRAC Workshop Prepares Regions for On-site Reviews: The Office of Career and Technical Preparation (OCTP) held the Technical Review, Assistance and Compliance (TRAC) On-Site Visit Preparation Workshop on October 19 in East Lansing. The workshop was attended by 50 representatives from five regions that are scheduled for on-site compliance visits this year. Attendees were provided with an overview of the TRAC process and information about how to prepare materials, plan the agenda, provide meeting accommodations, and conduct entrance and exit interviews.

OCTP's Program Advisory Tool Kit Offers Guidelines to Improve CTE Programs: The Office of Career and Technical Preparation (OCTP) recently completed guidelines for secondary Career and Technical Education (CTE) Program Advisory Committees as they work to improve CTE programs. In order to maintain state-approval status as a CTE program, an advisory committee with local industry representation must be used to keep the curriculum, equipment and teacher updated as to current needs of employers. The Tool Kit includes information on key roles of Program Advisory Committees, a general process to follow and helpful templates. Information in the Tool Kit is designed to facilitate communication and to enhance the Program Advisory Committee process. The Tool Kit can be found on the DLEG Web site at <http://www.michigan.gov/dleg>.